

Office of the Attorney General Paul G. Summers

NEWS RELEASE

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TENNESSEE ATTORNEY GENERAL URGES IRS TO PROHIBIT TAX PREPARERS FROM SHARING TAX RETURN INFORMATION

Tennessee Attorney General Paul G. Summers has signed on to a National Association of Attorneys General letter to the Internal Revenue Service urging it to prohibit tax preparers from sharing confidential tax return information.

"Although we feel confident the Internal Revenue Service would never disclose confidential information about taxpayers," Attorney General Summers said, "we encourage that agency to take all steps possible to ensure tax preparers safeguard tax return information."

The Attorneys General have expressed their concerns after the Congress authorized the IRS to hire private collections companies to collect unpaid taxes with the IRS providing information about the taxes owed and the debtors.

The NAAG letter to the IRS points out that American consumers are inundated with products and services based on financial information companies have received about them. "We are aware of no complaints from taxpayers that they receive too few solicitations from these companies," the NAAG letter notes. "We believe the best, most prudent course for the Service to take is simply to prohibit tax preparers from sharing tax return information for purposes unrelated to the preparation of tax returns."

The Attorneys General recommend the IRS:

- *Prohibit the use of disclosure of tax return information for marketing purposes;
- *Ensure when taxpayers agree to disclose information about their tax returns, their consent is knowing and voluntary;
- *Prohibit any service conditioned on taxpayers' agreeing to share their return information;
- *Prohibit tax preparers from using or disclosing any tax return information not necessary to obtain the service or product sought by the taxpayer;
- *Prohibit the use of raffles, lotteries or other games as a means of inducing taxpayers to share their return information.